

FISCAL NOTE

Bill #: HB0457

Title: Require state to phase in use of renewable fuel vehicles

Primary

Sponsor: Sam Kitzenberg

Status: As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
Other (proprietary)	\$14,000	\$14,000
Revenue:		
Other (proprietary)	\$14,000	\$14,000
Net Impact on General Fund Balance:	0	0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

1. Five percent (or 20) of new vehicles purchased by the state each year, based on FY 1998 experience of 400 vehicles purchased, will be capable of being fueled with renewable fuels.
2. The price differential for renewable fuel vehicles is based on invoice prices in the 1999 Kelly Blue Book for 15 sedans and five small pick-ups.
3. All 20 vehicles would be purchased by Department of Transportation State Motor Pool and pre-determined lease rates recover the costs.
4. The vehicles would use gasohol, which is readily available.

(continued)

5. E-85 fuel is not universally available. If E-85 fuels were to be considered, extra costs would occur. The installation of one E-85 fuel storage tank is \$25,000. The differentials for fuel efficiencies and higher E-85 fuel prices would add approximately \$660 per 25,000 miles driven.

FISCAL IMPACT:

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Department of Administration		
<u>Expenditures:</u>		
Equipment	\$14,000	\$14,000
<u>Funding:</u>		
Other (Proprietary)	\$14,000	\$14,000
<u>Revenues:</u>		
Other (Proprietary)	\$14,000	\$14,000
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
Other (Proprietary)	0	0

TECHNICAL NOTES:

Only certain manufacturers produce renewable fuel vehicles. This requirement could limit competition that now exists among the manufacturers who sell to state government.